

CIA OPERATIONS CENTER

NEWS SERVICE

DISTRIBUTION II

STAT

00000000

D W CZCZYRQYV

WPA-CIA-ITALY: 250

WASHINGTON (AP) - The Central Intelligence Agency is not funnelling secret funds to Italian politicians for next month's elections; CIA Director George Bush reportedly has assured a congressional panel. After listening to Bush Tuesday, one congressman told a reporter: "He's stated we have nothing going in Italy."

Bush testified in private at a regular briefing on current U.S. covert operations to the House International Relations Monitoring Subcommittee, one of six groups in Congress that the CIA director is required to brief on all covert operations.

Former CIA Director William Colby told the six subcommittees last October that a covert operation had been approved by President Ford for supplying \$5 million to Italian political parties and politicians.

Later Colby said publicly that no U.S. money was being supplied to Italian politicians; but he did not state that the operation had been dropped and would not be carried out in the future.

Two congressmen said Tuesday they felt Bush's testimony meant the \$5 million plan has been dropped.

The disbanded House Intelligence Committee said in its final report that \$65 million in covert U.S. aid was supplied to Italian politicians between 1948 and 1965. Another \$10 million was supplied in 1972.

The committee report cited cables showing that the CIA argued in 1972 that proposed further U.S. aid would not prevent further Communist gains in Italian elections. The CIA felt the majority Italian Christian Democratic Party was losing support because of internal dissension and U.S. money could not solve that problem.

0904AED 05-19